REMARKS

Claims 1-10 were examined and reported in the Office Action. Claims 1-10 are rejected. Claims 1, 2, 7, 8, 9 and 10 are amended. Claims 1-10 remain.

Applicant requests reconsideration of the application in view of the following remarks.

I. Claim Objection

It is asserted in the Office Action that claims 1-6 are objected for informalities. Applicant has amended claim 1 to overcome the informal objections.

Accordingly, withdrawal of the informal objections for claims 1-6 are respectfully requested.

II. 35 U.S.C. § 101

It is asserted in the Office Action that claims 7-8 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory matter.

Applicant has amended claim 7 by adding the limitations of "(d) scheduling the grants based on the length of the grants and the start time of the grants, and sending the grants to the ONUs." Applicant asserts that this added limitation is a practical application.

Accordingly, withdrawal of the 35 U.S.C. § 101 rejection for claims 7-8 is respectfully requested.

III. <u>35 U.S.C. § 112</u>

A. It is asserted in the Office Action that claims 9-10 are rejected under 35 U.S.C. § 112, second paragraph, as being incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections.

Applicant has amended claim 9 to overcome the 35 U.S.C. § 112, second paragraph rejections. These amendments make claim 9 dependent on claim 1. Amended claim 9 now contain the proper structure that the Examiner indicated was missing.

Accordingly, withdrawal of the 35 U.S.C. § 112, second paragraph rejection for claims 9-10 is respectfully requested.

B. It is asserted in the Office Action that claim 10 is rejected under 35 U.S.C. § 112, first paragraph, as based on a disclosure which is not enabling.

Applicant has amended claim 10 to overcome the 35 U.S.C. § 112, first paragraph rejection. In particular, Applicant has amended claim 10 to depend on claim 9.

Accordingly, withdrawal of the 35 U.S.C. § 112, first paragraph rejection of claim 10 is respectfully requested.

IV. Allowable Subject Matter

Applicant notes with appreciation the Examiner's assertion that claims 1-6 are allowed. Applicant respectfully asserts that claims 1-10, as they now stands, are allowable for the reasons given above.

Claims 2-6 are allowed because they depend on allowed claim 1.

CONCLUSION

In view of the foregoing, it is submitted that claims 1-10 patentably define the subject invention over the cited references of record, and are in condition for allowance and such action is earnestly solicited at the earliest possible date. If the Examiner believes a telephone conference would be useful in moving the case forward, he is encouraged to contact the undersigned at (310) 207-3800.

If necessary, the Commissioner is hereby authorized in this, concurrent and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2666 for any additional fees required under 37 C.F.R. §§1.16 or 1.17, particularly, extension of time fees.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR, & ZAFMAN LLP

Dated: June 25, 2007

12400 Wilshire Boulevard Seventh Floor Los Angeles, California 90025

(310) 207-3800

Steven Lau

Steven Laut, Reg. No. 47,736

CERTIFICATE OF TRANSMISSION

I hereby certify that this correspondence is being submitted electronically via EFS Web on the date shown below to the United

States Patent and Trademark Office.

Jean-Svoboda

Date: June 25, 2007